

COMMITTEE ON GOVERNMENT REFORM

TOM DAVIS, CHAIRMAN



NEWS RELEASE

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Davis: Senate Puts ‘Stamp of Approval’ On Postal Reform

House Had Approved Davis-Sponsored Bill By 410 to 20 Vote in July

WASHINGTON, D.C. – Chairman Tom Davis (R-VA) today applauded the Senate for approving a comprehensive overhaul of the U.S. Postal Service – legislation championed in the House by Davis and others.

“We have worked hard and waited patiently for Congress to successfully tackle comprehensive postal reform,” Davis said. “The rules governing the Postal Service today were put in place long before the dawn of the Internet and e-mail, before letters became known as ‘snail mail,’ before the re-regulation of the airline industry, and before competitors like FedEx entered the market.

“The reforms first approved last year by the House and today by the Senate do away with these outdated regulations and help the Postal Service meet the challenges of today’s competitive environment,” Davis added. “Congress is not only helping to move the Postal Service into the 21st Century but we are addressing the structural, legal, and financial constraints that have brought the Postal Service toward a financial ‘death spiral.’”

The health of the Postal Service is important to the entire economy; more than 9 million jobs and \$900 million in commerce are dependent on USPS.

Davis noted that the postal reform legislation took over a decade to reach approval in Congress. When he took over as chairman of the Government Reform Committee in 2003, Davis appointed Rep. John McHugh (R-NY) to head the Committee’s Special Panel on Postal Reform. Full Committee Ranking Member Henry A. Waxman (D-CA) and Rep. Danny Davis (D-IL), the ranking member on the special panel, played key roles in moving the bill through Committee and to passage in the House.

“If it weren’t for the hard work and bipartisan negotiation and cooperation of people like John McHugh, Danny Davis, and Henry Waxman, we wouldn’t be able to celebrate this victory today,” Davis said.

H.R. 22, the Postal Accountability and Enhancement Act, was unanimously approved by the Government Reform Committee on April 13, 2005. The full House approved the bill 410-20 on July 26, 2005.

The legislation positions the Postal Service to operate in a more business-like manner, creates a modern system of rate regulation, establishes fair competition rules and a powerful new regulator for the Postal Service, addresses the Postal Service's universal service obligation and the scope of the mail monopoly, and institutes improvements to the collective bargaining process.

While there are some differences between the House and Senate versions of the legislation, Davis said he is confident those distinctions can be addressed during the conference negotiations.

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